

## Commission on Public Housing Sustainability and Reform

### **Report of the Asset Management and Governance Sub-Committee, 5/31/12**

#### Members

Susan Bonner, Tenant Commissioner, Nahant Housing Authority

Jack Cooper, Massachusetts Union of Public Housing Tenants

Colleen Doherty, Taunton Housing Authority

Rebecca Deusser, Executive Office for Administration and Finance

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Senator James Eldridge

Lizbeth Heyer, DHCD

Representative Russell Holmes

Representative Kevin Honan

Diana Kelly, Maloney Properties

Steve Merritt, Norwood Housing Authority

James Stockard, Harvard University, Graduate School of Design, and Commissioner, Cambridge Housing Authority

Jeffrey Sacks, Commissioner, Newton Housing Authority

Clark Ziegler, Massachusetts Housing Partnership

The sub-committee met 3 times for a total of 6 hours and discussed the following issues and recommendations:

- 1. Based on the Commission's work thus far, the primary challenges and/or opportunities that the Reorganization Sub-Committee should solve for are:**
  - A. The lack of capacity at small and medium LHAs to handle the multitude of complex tasks required for the efficient governance and operation of state aided public housing.
  - B. The build out of certain regional and central functions presents an important opportunity to utilize public resources more efficiently and ultimately a) serve residents more effectively, b) direct funds more efficiently to maintenance and modernization, c) ensure improved transparency and 4) improve interaction between residents and commissioners. The build out of these functions could benefit housing authorities of all sizes, large as well as small and medium LHAs.
  - C. Given current fiscal realities that effectively prohibit any significant expansion of public housing, the primary task is to update the public housing governance and operating systems to strengthen housing authorities' and the Administration's ability to function in a complicated fiscal and regulatory environment in order to achieve the goals in B above.
- 2. Based on the Commission's work thus far, the Reorganization Sub-Committee discussion should assume 4 fundamental principles:**
  - A. Additional resources will be necessary to support the build out of expanded operational capacity.
  - B. Additional resources will be more efficiently utilized if the build-out of expanded capacity is organized on a regional and/or central level.
  - C. Certain functions, best described as those functions that benefit from proximity or face to face interaction, are most effective if they remain site-based. These functions include those of direct service to residents and interaction with the broader local community. Additional resources are necessary for these functions as well.
  - D. Recommendations about LHA reorganization must consider both operational and governance functions. The effectiveness of operational functions should drive the Commission's decision-making about reorganization; therefore decisions about the reorganization of governance should be driven by how governance can best support the most optimal operational structure.

#### Recommendations

- Sub-committee reached consensus that maintaining local boards to preserve local support for affordable housing and maintain important linkages to local government and services was important.
- Sub-committee also reached consensus that a centralized public housing application and waitlist system should be implemented.
- After considering several approaches to reorganization, the sub-committee focused conversation on 2 approaches; descriptions of each are attached; they are summarized below After much discussion, seven (7) members of the sub-committee were leaning toward the Public Housing Management Approach and five (5) were leaning toward the shared service approach; (2 members were not present when the sub-committee registered its preferences):
  1. **Shared Service:** Combination of voluntary and some mandatory collaboration between LHAs for certain operational functions, with some LHAs providing services to others.
  2. **Public Housing Management Approach: Local, Regional, Central Organization of Operations:** Creation of a mandatory system that manages housing authority operations through site-based management, regional technical assistance and supervision and centralized back-office functions.